

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 92, between lines 34 and 35, begin a new paragraph and insert:
- 2 "SECTION 108. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006,
- 3 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2009]: Sec. 1. (a) On or before August 1 of each year,
- 5 the county auditor shall send a certified statement, under the seal of the
- 6 board of county commissioners, to the fiscal officer of each political
- 7 subdivision of the county and the department of local government
- 8 finance. The statement shall contain:
- 9 (1) information concerning the assessed valuation in the political
- 10 subdivision for the next calendar year;
- 11 (2) an estimate of the taxes to be distributed to the political
- 12 subdivision during the last six (6) months of the current calendar
- 13 year;
- 14 (3) the current assessed valuation as shown on the abstract of
- 15 charges;
- 16 (4) the average growth in assessed valuation in the political
- 17 subdivision over the preceding three (3) budget years, excluding
- 18 years in which a general reassessment occurs, determined
- 19 according to procedures established by the department of local
- 20 government finance;
- 21 (5) the amount of the political subdivision's assessed valuation
- 22 reduction determined under section 0.5(d) of this chapter; ~~and~~
- 23 **(6) the total of all property taxes first due and payable to the**
- 24 **political subdivision in the current calendar year described in**

1 **IC 6-1.1-20.2-5;**

2 **(7) the total assessed valuation for all homesteads in the**
3 **political subdivision for which property tax liability is**
4 **determined under IC 6-1.1-20.2; and**

5 ~~(6)~~ **(8)** any other information at the disposal of the county auditor
6 that might affect the assessed value used in the budget adoption
7 process.

8 (b) The estimate of taxes to be distributed shall be based on:

9 (1) the abstract of taxes levied and collectible for the current
10 calendar year, less any taxes previously distributed for the
11 calendar year; and

12 (2) any other information at the disposal of the county auditor
13 which might affect the estimate.

14 (c) The fiscal officer of each political subdivision shall present the
15 county auditor's statement to the proper officers of the political
16 subdivision.

17 (d) Subject to subsection (e) and except as provided in subsection
18 (f), after the county auditor sends a certified statement under subsection
19 (a) or an amended certified statement under this subsection with
20 respect to a political subdivision and before the department of local
21 government finance certifies its action with respect to the political
22 subdivision under section 16(f) of this chapter, the county auditor may
23 amend the information concerning assessed valuation included in the
24 earlier certified statement. The county auditor shall send a certified
25 statement amended under this subsection, under the seal of the board
26 of county commissioners, to:

27 (1) the fiscal officer of each political subdivision affected by the
28 amendment; and

29 (2) the department of local government finance.

30 (e) Except as provided in subsection (g), before the county auditor
31 makes an amendment under subsection (d), the county auditor must
32 provide an opportunity for public comment on the proposed
33 amendment at a public hearing. The county auditor must give notice of
34 the hearing under IC 5-3-1. If the county auditor makes the amendment
35 as a result of information provided to the county auditor by an assessor,
36 the county auditor shall give notice of the public hearing to the
37 assessor.

38 (f) Subsection (d) does not apply to an adjustment of assessed
39 valuation under IC 36-7-15.1-26.9(d).

40 (g) The county auditor is not required to hold a public hearing under
41 subsection (e) if:

42 (1) the amendment under subsection (d) is proposed to correct a
43 mathematical error made in the determination of the amount of
44 assessed valuation included in the earlier certified statement;

45 (2) the amendment under subsection (d) is proposed to add to the
46 amount of assessed valuation included in the earlier certified

statement assessed valuation of omitted property discovered after the county auditor sent the earlier certified statement; or
 (3) the county auditor determines that the amendment under subsection (d) will not result in an increase in the tax rate or tax rates of the political subdivision."

Page 92, line 42, after "accounts." insert **"The formulation of the tax rate is subject to IC 6-1.1-20.2-9."**

Page 95, line 21, after "chapter." insert **"The formulation of the tax rate is subject to IC 6-1.1-20.2-9."**

Page 119, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 131. IC 6-1.1-20.2 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]:

Chapter 20.2. Property Tax Freeze on Senior Homesteads

Sec. 1. "Base year" for an individual means the calendar year that is the later of:

- (1) 2008 if the individual attains the age of sixty-five (65) in or before 2008; or
- (2) the calendar year after 2008 in which the individual attains the age of sixty-five (65).

Sec. 2. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-12-37.

Sec. 3. As used in this chapter, "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, but does not include any interest or penalty imposed under this article.

Sec. 4. (a) Subject to subsection (b), as used in this chapter, "qualified individual" means an individual:

- (1) who is liable for property taxes on a homestead for taxes first due and payable in a calendar year after the individual's base year;
- (2) who pays in full the property tax liability on the homestead for taxes first due and payable in:
 - (A) the base year; and
 - (B) each year, if any, after the base year and before the calendar year referred to in subdivision (1); and
- (3) whose adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for the calendar year immediately preceding the year in which the determination of property tax liability under this chapter is claimed under section 6 of this chapter did not exceed thirty thousand dollars (\$30,000).

(b) An individual who shares ownership of a homestead is a qualified individual under this section only if the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

1 (1) the individual and the individual's spouse; or
 2 (2) the individual and all other individuals with whom:
 3 (A) the individual shares ownership; or
 4 (B) the individual is purchasing the property under a
 5 contract;
 6 as joint tenants or tenants in common;
 7 for the calendar year preceding the year in which the
 8 determination of property tax liability under this section is claimed
 9 did not exceed thirty thousand dollars (\$30,000).

10 **Sec. 5. (a) A qualified individual who on March 1 of a particular**
 11 **calendar year after 2007 either:**

12 (1) owns a homestead; or
 13 (2) is buying a homestead under a contract that provides the
 14 qualified individual is to pay the property taxes on the
 15 homestead;
 16 is entitled for property taxes first due and payable in the
 17 immediately succeeding calendar year to a determination of
 18 property tax liability under this chapter. Notwithstanding any
 19 other law, the property tax liability determined under this chapter
 20 for a homestead for property taxes first due and payable in a
 21 calendar year is the only property tax liability to which the
 22 homestead is subject for that year.

23 (b) Except as provided in subsection (c), (d), (e), or (f), the
 24 property tax liability of a qualified individual for taxes first due
 25 and payable in a calendar year with respect to a homestead is the
 26 lesser of the following:

27 (1) The amount of property tax liability of the qualified
 28 individual that is attributable to the homestead for property
 29 taxes first due and payable in the base year.
 30 (2) The lowest property tax liability of the qualified individual
 31 that is attributable to the homestead for property taxes first
 32 due and payable in a calendar year that is:
 33 (A) after the base year; and
 34 (B) before the calendar year for which the qualified
 35 individual's property tax liability is determined under this
 36 subsection.

37 (c) If a physical change to the homestead results in an increased
 38 assessment of the homestead for property taxes first due and
 39 payable after the base year, the property tax liability of a qualified
 40 individual for property taxes first due and payable in a calendar
 41 year with respect to the homestead is the sum of:

42 (1) the amount of the qualified individual's property tax
 43 liability for property taxes first due and payable in the base
 44 year that is attributable to the homestead; plus
 45 (2) the amount of the qualified individual's property tax
 46 liability that is directly attributable to the physical change for
 47 property taxes first due and payable in the first calendar year

1 for which the new assessment results in increased property
2 tax liability with respect to the homestead.

3 (d) If a physical change to the homestead results in a decreased
4 assessment of the homestead for property taxes first due and
5 payable after the base year, the property tax liability of a qualified
6 individual for property taxes first due and payable in a calendar
7 year with respect to the homestead is the remainder of:

8 (1) the amount of the qualified individual's property tax
9 liability for property taxes first due and payable in the base
10 year that is attributable to the homestead; minus

11 (2) the amount of the decrease in the qualified individual's
12 property tax liability that is directly attributable to the
13 physical change for property taxes first due and payable in
14 the first calendar year for which the new assessment results
15 in decreased property tax liability with respect to the
16 homestead.

17 (e) The property tax liability with respect to a homestead for
18 taxes first due and payable in 2009 of a qualified individual who
19 attains the age of sixty-five (65) before 2008 and claims a
20 determination of tax liability under section 6 of this chapter is the
21 least of the following:

22 (1) The individual's property tax liability for property taxes
23 first due and payable in 2006 that is attributable to the
24 homestead.

25 (2) The individual's property tax liability for property taxes
26 first due and payable in 2007 that is attributable to the
27 homestead.

28 (3) The individual's property tax liability for property taxes
29 first due and payable in 2008 that is attributable to the
30 homestead.

31 This subsection applies only if the qualified individual pays in full
32 the individual's property tax liability on the homestead in 2006,
33 2007, and 2008 to the extent that the individual is liable for the tax.

34 (f) For purposes of a qualified individual's claim of a
35 determination of tax liability under section 6 of this chapter for
36 taxes first due and payable on a homestead after 2009, the amount
37 of the qualified individual's property tax liability determined under
38 subsection (e) is considered for purposes of subsection (b) to be the
39 individual's property tax liability for property taxes first due and
40 payable in the base year that is attributable to the homestead.

41 (g) The property tax liability for a homestead determined under
42 this section for property taxes first due and payable in a calendar
43 year is considered for all purposes to be property taxes imposed by
44 the state or a political subdivision in which the homestead is
45 located. The amount of that property tax liability attributable to
46 the state or a political subdivision is the amount that bears the
47 same proportion to that property tax liability that the property tax

rate of the state or political subdivision bears to the property tax rate for the taxing district in which the homestead is located.

Sec. 6. (a) An individual who desires to have the individual's property tax liability determined under this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of the year that immediately precedes each year for which the individual wishes to have the individual's property tax liability determined under this chapter. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to have the individual's property tax liability determined under this chapter. The statement may be filed in person or by mail. If mailed, the statement must be postmarked on or before the last day for filing. A statement must be filed for the first year and separately for each succeeding year for which the individual claims a determination of the individual's property tax liability under this chapter.

(b) The statement referred to in subsection (a) must:

(1) be verified under penalties for perjury; and

(2) contain the following information:

(A) The full name and complete residence address of the person.

(B) Evidence that the individual is a qualified individual.

(C) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in the property.

(D) Any other information that the department of local government finance requires to be included in the statement.

Sec. 7. If a qualified individual whose property tax liability is determined under this chapter changes the use of the qualified individual's property so that part or all of that property no longer qualifies for the determination of property tax liability under this chapter, the qualified individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use not later than sixty (60) days after the date of that change.

Sec. 8. A taxpayer other than a qualified individual is entitled to the determination of property tax liability under this chapter if:

(1) an individual uses the homestead as the individual's principal place of residence;

- (2) the individual has a beneficial interest in the taxpayer; and
- (3) the taxpayer either owns the homestead or is buying the homestead under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the homestead.

Sec. 9. The property tax rate of a political subdivision in which one (1) or more homesteads for which property tax liability is determined under this chapter are located is determined for property taxes first due and payable in a calendar year in the amount calculated to result in a levy in the amount of the remainder of:

- (1) the levy of the political subdivision for that year determined without regard to this chapter; minus

- (2) the sum of:

- (A) the total for all homesteads in the political subdivision for which property taxes are determined under this chapter of the amounts of property tax liability for that year determined under section 5 of this chapter; plus

- (B) the total for all homesteads in the political subdivision, other than the homesteads referred to in clause (A), of the property tax liability determined without regard to this chapter.

Sec. 10. The following apply for property taxes first due and payable in each calendar year:

- (1) The property tax liability for each homestead in a political subdivision in which one (1) or more homesteads for which property tax liability is determined under this chapter are located, other than the homesteads for which property taxes are determined under this chapter, is the property tax liability determined without regard to this chapter.

- (2) For a political subdivision in which one (1) or more homesteads for which property tax liability is determined under this chapter are located, the total assessed valuation for all homesteads is excluded from the assessed valuation that:

- (A) would be determined without regard to this section; and

- (B) is used to set the tax rate for the political subdivision."

Page 245, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 245. [EFFECTIVE UPON PASSAGE] (a) The following, all as amended by this act, apply only to property taxes first due and payable after December 31, 2008:

- (1) IC 6-1.1-17-1.

- (2) IC 6-1.1-17-3.

- (3) IC 6-1.1-17-6.

(b) IC 6-1.1-20.2, as added by this act, applies only to property taxes first due and payable after December 31, 2008.

1 **(c) The department of local government finance and all political**
2 **subdivisions shall take into account the provisions listed in**
3 **subsections (a) and (b) in carrying out the duties of either the**
4 **department or the political subdivision under IC 6-1.1 in**
5 **preparation for property taxes first due and payable after**
6 **December 31, 2008."**

7 Renumber all SECTIONS consecutively.
 (Reference is to HB 1001 as printed January 17, 2008.)

Representative Welch